

84TH CONGRESS
1ST SESSION

S. 2157

IN THE SENATE OF THE UNITED STATES

JUNE 7, 1955

MR. CAPEHART introduced the following bill; which was read twice and referred
to the Committee on Armed Services

A BILL

To authorize the establishment of an Inventive Contributions
Awards Board within the Department of Defense, and for
other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Inventive Contributions
4 Awards Act of 1955".

5 DECLARATION OF POLICY

6 SEC. 2. It is the purpose of this Act to foster invention
7 for national defense through the establishment within the
8 Department of Defense of an Inventive Contributions
9 Awards Board which shall be authorized to recommend to
10 the Secretary the making of such awards, to be known as

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1 National Defense Awards, as it shall consider just for meri-
2 torious inventions contributing to the national defense.

3 DEFINITIONS

4 SEC. 3. As used in this Act—

5 (a) The term "contribution" means any inventive con-
6 tribution which is used in the national defense of the United
7 States, and which is not subject to the provisions of the
8 Atomic Energy Act of 1946.

9 (b) The term "contributor" means any natural person
10 who has made an inventive contribution.

11 (c) The term "the Department" shall mean the Depart-
12 ment of Defense, and the term "Secretary" shall mean the
13 Secretary of Defense.

14 (d) The term "defense agency" means the Department,
15 or any other department, agency, or independent establish-
16 ment in the executive branch of the Government (except the
17 Atomic Energy Commission), or any wholly owned Govern-
18 ment corporation, designated by the President as a defense
19 agency for the purposes of this Act.

20 (e) The term "Board" means the Inventive Contribu-
21 tions Awards Board established pursuant to section 5 of this
22 Act.

23 (f) The term "award" means a National Defense
24 Award authorized by section 4 of this Act.

25 (g) The term "communication" shall mean either a

1 disclosure in writing or a submission of a physical embodi-
2 ment of the contribution.

3 (h) The term "national defense" shall include the pro-
4 gram provided for in the Mutual Security Act of 1951, as
5 amended, and the Mutual Defense Assistance Act of 1949,
6 as amended.

7 **NATIONAL DEFENSE AWARDS**

8 SEC. 4. Any law to the contrary notwithstanding, when-
9 ever any contributor has directly or indirectly communicated
10 his contribution to any defense agency, and any such agency
11 in consequence of such communication has used or caused
12 to be used such contribution, the Secretary, upon the recom-
13 mendation of the Board, may make a National Defense
14 Award to such contributor or his heirs in such amount, and
15 subject to such terms and conditions, as the Board shall
16 determine in conformity with the provisions of this Act to
17 be a proper award for the use thereof.

18 **INVENTIVE CONTRIBUTIONS AWARDS BOARD**

19 SEC. 5. (a) The Secretary is authorized to establish
20 within the Department an Inventive Contributions Awards
21 Board which shall be composed of not more than fifteen
22 members appointed by the President, by and with the advice
23 and consent of the Senate, for such term or terms as he may
24 specify, from individuals in civil life who are eminent in
25 one or more of the following fields of activity: Invention,

1 science, research, development, and patent law. A quorum
2 of the Board shall meet at such times as the Secretary may
3 specify to consider applications made pursuant to section 6
4 of this Act for awards. Five members shall constitute a
5 quorum of the Board.

6 (b) From funds available for such purposes, each mem-
7 ber shall receive compensation at the rate of \$50 for each
8 day of his attendance at meetings of the Board, and shall be
9 reimbursed for all travel expenses actually incurred by him
10 in the performance of his duties as a member of the Board:
11 *Provided*, That the provisions of title 18, United States Code,
12 section 281, shall not apply to the members of this Board
13 and that appointments may be made without regard to the
14 requirements of the Civil Service Retirement Act.

15 (c) The Board shall perform the duties required of it
16 by section 6 of this Act. The Secretary shall provide the
17 Board with such personnel and facilities as he may deter-
18 mine to be required by the Board for the performance of its
19 functions.

20 (d) The Board, subject to approval by the Secretary,
21 may promulgate such rules and regulations, not inconsistent
22 with this Act, as may be required for the performance of its
23 duties hereunder.

1 APPLICATIONS FOR AWARDS AND PROCEEDINGS THEREON

2 SEC. 6. (a) Any contributor may file with the Secretary
3 an application for an award under section 4 of this Act, or
4 be recommended for an award by the head of any defense
5 agency. Such application or recommendation may be filed
6 upon information and belief, and shall contain a statement
7 concerning—

8 (1) the nature of such contribution;
9 (2) the ownership thereof;
10 (3) the date and manner of its communication to
11 any defense agency;

12 (4) the nature and extent of the compensation re-
13 ceived by such contributor from the United States in
14 connection with the contribution;

15 (5) the nature and extent of the award for which
16 application or recommendation is made pursuant to this
17 Act; and

18 (6) such other information as the Board shall pre-
19 scribe by its rules.

20 (b) Each application or recommendation so filed shall
21 be transmitted to the Board which, subject to the provisions
22 of this Act, shall determine the questions presented by such

1 application, and shall make and transmit to the Secretary
2 a report thereon in which the Board shall set forth—

3 (1) its findings of fact;
4 (2) its conclusions and recommendations on the
5 question whether the contributor is entitled to an award
6 under this Act; and
7 (3) the terms and conditions upon which any such
8 award should be made.

9 DETERMINATION OF ELIGIBILITY FOR AWARDS AND
10 QUANTUM THEREOF

11 SEC. 7. (a) In any proceeding under this Act, the con-
12 tributor shall bear the burden of establishing the communica-
13 tion of the contribution in question, except that the submis-
14 sion of a contribution to the National Inventors Council and
15 by that council to a defense agency shall constitute proof of
16 communication.

17 (b) In any proceeding under this Act if the Board finds
18 that the contributor communicated the contribution and as
19 a result thereof it was used, the Board may recommend an
20 award, and payment thereof in a lump sum or in periodic
21 installments.

22 (c) In determining the amount of any such award con-
23 sideration shall be given to—

24 (1) the novelty, originality, and utility of the con-
25 tribution;

5 (3) the extent to which the contributor has bene-
6 fitted, will benefit, or reasonably can be expected to
7 benefit through the commercial exploitation of such
8 contribution;

9 (4) the extent to which the contributor has been
10 denied the benefits of commercial exploitation of such
11 contribution in consequence of any secrecy restrictions
12 imposed by the United States; and

13 (5) the extent to which the contributor has been
14 compensated for said contribution by the United States

15 (d) If, in any proceeding under this Act, it shall
16 appear to the Board that more than one contributor is en-
17 titled to compensation with respect to the same contribution,
18 the Board shall ascertain and determine the interests of each
19 such contributor and shall recommend the division of the
20 award in such proportions as it shall deem equitable, among
21 all persons whom it shall find to be entitled to share therein.

22 (e) A contributor shall not be barred from eligibility
23 for an award on the ground that he has given the Govern-
24 ment a license under his invention either with or without
25 receipt of cash consideration or by virtue of the fact that

1 the Government claims an equitable license under his
2 invention.

3 PAYMENT OF AWARDS

4 SEC. 8. (a) Any award made pursuant to this Act
5 may be paid in a single payment or by such periodic pay-
6 ments as the Board may recommend.

7 (b) Awards so made shall be paid from funds appro-
8 priated to the defense agency principally interested in the
9 contribution for which such award is made, as determined
10 by the Board, and may be paid from any funds appropriated
11 to such agency which are available for the procurement of
12 equipment or supplies incorporating such contribution or
13 resulting from the practice of such contribution. If the head
14 of the defense agency concerned certifies that funds are
15 not available to such agency for the payment of any such
16 award, the Secretary shall include in his budget estimate for
17 the Department for the next fiscal year an appropriate item
18 for the payment of such award.

19 (c) No award shall be paid under this Act to any con-
20 tributor or with respect to any contribution in any amount
21 exceeding \$75,000 until such award has been transmitted
22 to and approved by the Congress. The approval of the
23 Congress to any such award shall be deemed to have been
24 granted upon the expiration of the first period of six months
25 of continuous session of the Congress following the date on

1 which such award is transmitted to it for approval, but only
2 if prior to the expiration of such period there has not been
3 passed a concurrent resolution disapproving such award or
4 approving such award in a reduced amount or subject to
5 different conditions. If within such period any such resolu-
6 tion is passed authorizing payment of such award in a
7 reduced amount or subject to different conditions, payment
8 of such award may be made in conformity with the terms
9 of such resolution.

10 PROCEEDINGS UNDER OTHER STATUTES

11 SEC. 9. (a) Nothing contained in this Act shall—

12 (1) prevent any defense agency from making any
13 payment to any contributor pursuant to any other pro-
14 vision of law; or

15 (2) bar any contributor from prosecuting any suit
16 under any other provision of law; or

17 (3) prohibit any department or agency of the
18 United States from making any payment to a con-
19 tributor pursuant to any administrative order of such
20 department or agency.

21 SEC. 10. Section 10 (r) of the Army Air Corps Act
22 approved June 2, 1926, as amended by Act approved
23 March 3, 1927 (10 U. S. C. 310 (r)), is hereby repealed.

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